



February 6, 2007

Mr. Lester Snow, Director
California Department of Water Resources
P.O. Box 942836, Room 1115-1
Sacramento, CA 94236-0001

Dear Director Snow:

On behalf of the San Diego Regional Chamber and its 3,000 member companies, representing more than 400,000 employees in the San Diego region, I strongly object to the recent Department of Water Resources (DWR) staff proposal to summarily abandon the Proposition 50, Cycle 2, Grant Application process in favor of awarding grant funding to the nine proposals that were not selected during Step 2 of Cycle 1. The proposal is inconsistent with the November 2004 Grant Program Guidelines that were prepared with extensive stakeholder input. The guidelines clearly state that there would be two open and competitive funding cycles. Changing the rules of the program in the middle of the funding process is detrimental to regions, such as San Diego, that have operated under the existing guidelines because it will unfairly deny our region an opportunity to compete for Proposition 50 funds.

The Chamber further opposes any proposal which would combine Proposition 50 and Proposition 84 funds. These are two separate and independent measures which were passed by the voters in different years. Therefore, these funds must be kept separate and the funding process must provide fair access for all regions of the state to both these measures.

The Chamber strongly urges DWR and the State Water Resources Control Board (SWRCB) to follow the established guidelines for distribution of Proposition 50 grant funding.

Thank you for your consideration of our request.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scott D. Alevy'.

Scott D. Alevy
Vice President, Public Policy & Communications

SDA:av

cc. Governor Arnold Schwarzenegger
San Diego County Legislative Delegation
Hon. Jerry Sanders, Mayor, City of San Diego
Walter F. Ekard, CAO, County of San Diego
Tracie Billington, Department of Water Resources
Shahla Farahnak, State Water Resources Control Board
Fern Steiner, Chair, San Diego County Regional Water Authority
James Barrett, City of San Diego Water Department